DEPARTMENT OF VETERANS AFFAIRS

8320-01

2 CFR Part 802

38 CFR Parts 41 and 43

RIN 2900-AP03

Uniform Administrative Requirements, Cost Principles, and Audit Requirements

for Federal Awards; Updating References

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: This rule adopts as final, without change, interim final rule amending the Department of Veterans Affairs (VA) regulations governing Office of Management and Budget (OMB) citations and references for federal grant programs. This amendment is necessary to replace obsolete OMB references in VA regulations.

DATES: <u>Effective Date</u>: This final rule is effective [Insert date of publication in the FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Brian McCarthy, Office of Regulatory and Administrative Affairs (10B4), Veterans Health Administration, Department of Veterans Affairs, 810 Vermont Ave., NW, Washington, DC 20420, (202) 461-6345. (This is not a toll-free telephone number.)

SUPPLEMENTARY INFORMATION: On December 19, 2014, OMB published a joint interim final rule in the <u>Federal Register</u> (79 FR 75871), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Updating References. VA received no public comments and therefore makes no changes to the regulation. Based on the rationale set forth in the interim final rule, VA is adopting the interim final rule as a final rule with no changes.

Executive Orders 12866 and 13563

Executive Orders 12866 and 13563 direct agencies to assess the costs and benefits of available regulatory alternatives and, when regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, and other advantages; distributive impacts; and equity). Executive Order 13563 (Improving Regulation and Regulatory Review) emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules, and promoting flexibility. Executive Order 12866 (Regulatory Planning and Review) defines a "significant regulatory action," which requires review by the Office of Management and Budget (OMB), unless OMB waives such review, as "any regulatory action that is likely to result in a rule that may: (1) Have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or

communities; (2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) Materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in this Executive Order."

The economic, interagency, budgetary, legal, and policy implications of this regulatory action have been examined, and it has been determined not to be a significant regulatory action under Executive Orders 12866. VA's impact analysis can be found as a supporting document at http://www.regulations.gov, usually within 48 hours after the rulemaking document is published. Additionally, a copy of the rulemaking and its impact analysis are available on VA's website at http://www1.va.gov/orpm/, by following the link for "VA Regulations Published."

Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) requires an agency that is issuing a final rule to provide a final regulatory flexibility analysis or to certify that the rule will not have a significant economic impact on a substantial number of small entities. This final rule implements OMB final guidance issued on December 26, 2013, and will not have a significant economic impact beyond the impact of the December 2013 guidance.

Unfunded Mandates

The Unfunded Mandates Reform Act of 1995 requires, at 2 U.S.C. 1532, that agencies prepare an assessment of anticipated costs and benefits before issuing any rule that may result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more (adjusted annually for inflation) in any one year. This final rule will have no such effect on State, local, and tribal governments, or on the private sector.

Paperwork Reduction Act

This final rule contains no provisions constituting a collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3521).

Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance numbers and titles for the programs affected by this document are 64.005, Grants to States for Construction of State Home Facilities; 64.024, VA Homeless Providers Grant and Per Diem Program; 64.026, Veterans State Adult Day Health Care; 64.033, VA Supportive Services for Veteran Families Program; 64.034, VA Assistance to United States Paralympic Integrated Adaptive Sports Program; 64.037, VA U.S. Paralympics Monthly Assistance Allowance Program; 64.038, Grants for the Rural Veterans Coordination Pilot; 64.100, Automobiles and Adaptive Equip for Certain Disabled Vets and Members of the Armed Forces; 64.201, National Cemeteries; and 64.203, State Cemetery Grants.

Signing Authority

The Secretary of Veterans Affairs, or designee, approved this document

and authorized the undersigned to sign and submit the document to the Office of

the Federal Register for publication electronically as an official document of the

Department of Veterans Affairs. Robert L. Nabors II, Chief of Staff, Department

of Veterans Affairs, approved this document on November 18, 2015, for

publication.

Dated: November 24, 2015.

Michael P. Shores,

Chief Impact Analyst,

Office of Regulation Policy & Management,

Office of the General Counsel,

Department of Veterans Affairs.

Accordingly, the interim final rule adding 2 CFR part 802 and amending 38

CFR parts 41 and 43, which was published in the Federal Register at 79 FR

75871 on December 19, 2014, is adopted as final without changes.

[FR Doc. 2015-30346 Filed: 11/30/2015 8:45 am; Publication Date: 12/1/2015]

5